

Washington, DC - U.S. Congressman Mike Pence today introduced legislation to stop U.S. tax dollars from being used by the International Monetary Fund (IMF) for bailouts of European countries. Rep. Pence released the following statement as the European Bailout Protection Act was introduced:

“Hoosiers are fed up with taxpayer-funded bailouts and deserve to know we are bailing out Greece and possibly other European countries.□ If the Obama Administration has its way, the U.S. will contribute to a nearly trillion dollar bailout of European countries with economic crises that are a direct result of wasteful government spending.

□

“This legislation would require that countries like Greece cut spending and put their own fiscal house in order, instead of looking to the United States for a bailout. We face record unemployment and a debt crisis of our own, and taxpayers should not be forced to bear the risk for nations that have avoided making tough choices.”

Background:

The European Bailout Protection Act would:

1) Prohibit any funds that have yet to be drawn by the IMF from being used to provide financing to any EU countries until all EU nations are in compliance with the debt to GDP ratio requirement in their own collective growth pact.

2) Require the Treasury Secretary to oppose any IMF loans to EU nations until all EU countries are in compliance with their debt to GDP ratio requirement.

The bill does not permanently prohibit the IMF from lending to these nations; it simply prohibits the U.S. from participating in the proposed European bailout.